

CORN PRODUCTS INTERNATIONAL INC

Form 424B5

April 06, 2007

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**Filed Pursuant to Rule 424(b)(5)**

**Registration No.: 333-141870**

**A filing fee of \$9,210, calculated in accordance with Rule 457(r), has been transmitted to the SEC in connection with the securities offered pursuant to this prospectus supplement and prospectus.**

**PROSPECTUS SUPPLEMENT  
(To Prospectus dated April 4, 2007)**

**\$300,000,000**

**Corn Products International, Inc.**

**\$200,000,000 6.000% Senior Notes due 2017**

**\$100,000,000 6.625% Senior Notes due 2037**

We are offering an aggregate of \$200,000,000 of our 6.000% Senior Notes due April 15, 2017, which we refer to as the 2017 notes, and an aggregate of \$100,000,000 of our 6.625% Senior Notes due April 15, 2037, which we refer to as the 2037 Notes. We refer to the 2017 Notes and the 2037 Notes collectively as the notes. Interest on the notes is payable on April 15 and October 15 of each year, beginning on October 15, 2007. We may redeem the notes in whole or in part at any time at the applicable redemption price set forth under Description of the Notes Optional Redemption. If we experience a change of control repurchase event, we may be required to offer to repurchase the notes from holders.

The notes will be unsecured obligations of our company and will rank equally with all of our other unsecured, senior indebtedness. The notes will be issued only in registered form in denominations of \$1,000 and integral multiples of \$1,000.

**Investing in the notes involves risks that are described under Risk Factors beginning on page S-5.**

	<b>Per 2017</b>		<b>Per 2037</b>	
	<b>Note</b>	<b>Total</b>	<b>Note</b>	<b>Total</b>
Public offering price(1)	99.768%	\$ 199,536,000	99.418%	\$ 99,418,000
Underwriting discount	0.650%	\$ 1,300,000	0.875%	\$ 875,000
Proceeds, before expenses, to Corn Products	99.118%	\$ 198,236,000	98.543%	\$ 98,543,000

(1) Plus accrued interest, if any, from April 10, 2007.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about April 10, 2007.

*Joint Book-Running Managers*

**Citigroup**

**Morgan Stanley**

*Senior Co-Managers*

**BMO Capital Markets**

**SunTrust Robinson Humphrey**

**Rabo Securities USA, Inc.**

*Co-Managers*

**ABN AMRO Incorporated**

**Bank of America Securities LLC**

**BNY Capital Markets, Inc.**

**Piper Jaffray**

**Wells Fargo Securities**

The date of this prospectus supplement is April 4, 2007.

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of notes. The second part is the prospectus dated April 4, 2007, which is part of our Registration Statement on Form S-3 (Registration No. 333-141870).

This prospectus supplement may add to, update or change the information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with information in the accompanying prospectus, this prospectus supplement will apply and will supersede that information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in *Where You Can Find More Information* in the accompanying prospectus.

No person is authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus supplement and the accompanying prospectus, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in our affairs since the date of this prospectus supplement, or that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is correct as of any time subsequent to the date of such information.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or the underwriters or any of them, to subscribe to or purchase any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See *Underwriting*.

In this prospectus supplement and the accompanying prospectus, unless otherwise stated, references to *Corn Products*, *the Company*, *we*, *us* and *our* refer to Corn Products International, Inc. and its subsidiaries.

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement contains or may contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. We intend these forward looking statements to be covered by the safe harbor provisions for such statements. These statements include, among other things, any predictions regarding our prospects or future financial condition, earnings, revenues, expenses or other financial items, any statements concerning our prospects or future operations, including management's plans or strategies and objectives therefor and any assumptions underlying the foregoing. These statements can sometimes be identified by the use of forward looking words such as *may*, *will*, *should*, *anticipate*, *believe*, *plan*, *project*, *expect*, *intend*, *continue*, *pro forma*, *forecast* or other similar expressions or the negative thereof. All statements than statements of historical facts in this prospectus supplement or referred to or incorporated by reference into this

prospectus supplement are forward-looking statements. These statements are subject to certain inherent risks and uncertainties. Although we believe our expectations reflected in these forward-looking statements are based on reasonable assumptions, no assurance can be given that our expectations will prove correct. Actual results and developments may differ materially from the expectations conveyed in these statements, based on various factors, including fluctuations in worldwide markets for corn and other commodities and the associated

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risks of hedging against such fluctuations; fluctuations in aggregate industry supply and market demand; general political, economic, business, market and weather conditions in the various geographic regions and countries in which we manufacture and/or sell our products; fluctuations in the value of local currencies, energy costs and availability, freight and shipping costs, and changes in regulatory controls regarding quotas, tariffs, duties, taxes and income tax rates; operating difficulties; boiler reliability; our ability to effectively integrate acquired businesses; labor disputes; genetic and biotechnology issues; changing consumption preferences and trends; increased competitive and/or customer pressure in the corn-refining industry; the outbreak or continuation of serious communicable disease or hostilities including acts of terrorism; stock market fluctuation and volatility; and our ability to maintain sales levels of HFCS in Mexico. Our forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement. If we do update or correct one or more of these statements, investors and others should not conclude that we will make additional updates or corrections. For a further description of these risks, see **Risk Factors** below and in the accompanying prospectus and in our annual report on Form 10-K for the year ended December 31, 2006 which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

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**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights selected information about Corn Products and this offering. It does not contain all of the information that may be important to you in deciding whether to purchase notes. We encourage you to read the entire prospectus supplement, the accompanying prospectus and the documents that we have filed with the SEC that are incorporated by reference prior to deciding whether to purchase notes.*

**Corn Products International, Inc.**

We were incorporated as a Delaware corporation in 1997 and our common stock is traded on the New York Stock Exchange. We, together with our subsidiaries, manufacture and sell a number of ingredients to a wide variety of food and industrial customers. We are one of the world's largest corn refiners and a major supplier of high-quality food ingredients and industrial products derived from wet milling and processing of corn and other starch-based materials.

We had consolidated net sales of approximately \$2.62 billion in 2006. Approximately 61 percent of our 2006 net sales were provided from our North American operations, while our South American and Asian/African operations contributed approximately 25 percent and 14 percent, respectively. Our products are derived primarily from the processing of corn and other starch-based materials, such as tapioca.

Corn refining is a capital-intensive, two-step process that involves the wet milling and processing of corn. During the front-end process, corn is steeped in a water-based solution and separated into starch and other co-products such as animal feed and germ. The starch is then either dried for sale or further processed to make sweeteners and other ingredients that serve the particular needs of various industries.

Our sweetener products include high fructose corn syrup, glucose corn syrups, high maltose corn syrups, caramel color, dextrose, polyols, maltodextrins and glucose and corn syrup solids. Our starch-based products include both industrial and food-grade starches. We supply a broad range of customers in many diverse industries around the world, including the food and beverage, pharmaceutical, paper products, corrugated, laminated paper, textile and brewing industries, as well as the global animal feed markets.

We believe our approach to production and service, which focuses on local management of our worldwide operations, provides us with a unique understanding of the cultures and product requirements in each of the geographic markets in which we operate bringing added value to our customers.

**The Offering**

Issuer	Corn Products International, Inc.
Securities Offered	\$200,000,000 aggregate principal amount of our 6.000% Senior Notes due April 15, 2017 (the 2017 notes ) and \$100,000,000 aggregate principal amount of our 6.625% Senior Notes due April 15, 2037 (the 2037 notes )
Maturity	2017 notes: April 15, 2017 2037 notes: April 15, 2037
Interest	Interest on the notes will accrue from April 10, 2007 and will be payable on April 15 and October 15 of each year, beginning October 15, 2007.



Ranking

The notes will be unsecured obligations of our company and will rank equally with all of our other unsecured, senior indebtedness. At December 31, 2006, we had approximately \$554 million of indebtedness outstanding on a consolidated basis, of which \$99 million of subsidiary indebtedness is structurally senior to the notes.

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Optional Redemption	<p>We may redeem each series of notes at our option, at any time in whole or from time to time in part at a redemption price equal to the greater of:</p> <ul style="list-style-type: none"><li>100% of the principal amount of the notes of such series being redeemed; and</li><li>the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any portion of such payments of interest accrued as of the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined in this prospectus supplement), plus, in the case of the 2017 notes, 25 basis points and plus, in the case of the 2037 notes, 30 basis points.</li></ul> <p>We will also pay accrued and unpaid interest to the redemption date.</p>
Repurchase at the Option of Holders Upon A Change of Control Repurchase Event	<p>If we experience a Change of Control Repurchase Event (as defined in this prospectus supplement) with respect to a series of notes, we may be required to offer to repurchase that series of notes at a repurchase price equal to 101% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest.</p>
Covenants	<p>The indenture relating to the notes will contain certain covenants for your benefit. These covenants will restrict our ability to:</p> <ul style="list-style-type: none"><li>incur debt secured by liens;</li><li>engage in certain sale-leaseback transactions; and</li><li>merge or consolidate or sell all or substantially all of our assets.</li></ul> <p>These covenants will be subject to significant exceptions. In addition, neither the indenture nor the notes will limit the amount of indebtedness that we may incur or the amount of assets that we may distribute or invest. See Description of Debt Securities Certain Restrictions in the accompanying prospectus.</p>
Further Issues	<p>We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional debt securities having the same terms as and ranking equally and ratably with the notes in all respects, as described under Description of the Notes General.</p>
Use of Proceeds	<p>We intend to use the net proceeds for the payment at maturity of our \$255 million outstanding principal amount of 8.25% senior notes due July 15, 2007 and for general corporate purposes. See Use of Proceeds.</p>

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Book-Entry	Each series of notes will be issued in book-entry form and will be represented by one or more permanent global certificates deposited with, or on behalf of, The Depository Trust Company ( DTC ) and registered in the name of Cede & Co., DTC 's nominee. Beneficial interests in the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee; and these interests may not be exchanged for certificated notes except in limited circumstances. See Description of Debt Securities Book- Entry Securities in the accompanying prospectus.
Risk Factors	Investing in the notes involves risks. See Risk Factors for a description of certain risks you should particularly consider before investing in the notes.
Trustee	The Bank of New York Trust Company, N.A.

**Table of Contents****Summary Financial Information**

The following tables set forth our summary consolidated financial information. The summary income statement data for the years ended December 31, 2006, 2005 and 2004 and the summary balance sheet data as of December 31, 2006 and December 31, 2005 are derived from our audited consolidated financial statements incorporated by reference in this prospectus supplement. The summary income statement data for the years ended December 31, 2003 and 2002 and the summary balance sheet data as of December 31, 2004, December 31, 2003 and December 31, 2002 are derived from our audited consolidated financial statements for the years indicated and are not included or incorporated by reference in this prospectus supplement.

The summary consolidated financial information should be read in conjunction with our consolidated financial statements and the related notes and the Management's Discussion and Analysis of Financial Condition and Results of Operations section included in our Annual Report on Form 10-K for the year ended December 31, 2006, which we have filed with the SEC and is incorporated by reference in this prospectus supplement.

	2006	Year Ended December 31,			2002
		2005	2004	2003	
		(In thousands)			
<b>Income Statement Data:</b>					
Net sales before shipping and handling costs	\$ 2,844	\$ 2,559	\$ 2,461	\$ 2,269	\$ 1,979
Less shipping and handling costs	223	199	178	167	108
Net sales	2,621	2,360	2,283	2,102	1,871
Cost of sales	2,205	2,028	1,929	1,778	1,604
Gross profit	416	332	354	324	267
Selling, general and administrative expenses	202	158	158	149	134
Other (income) expense	(10)	(9)	(4)	1	(20)
Plant closing costs			21		
Operating income	224	183	179	174	153
Financing costs-net	27	35	34	39	36
Income before income taxes and minority interest	197	148	145	135	117
Provision for income taxes	69	55	43	49	42
Minority interest in earnings	4	3	8	10	12
Net income	\$ 124	\$ 90	\$ 94	\$ 76	\$ 63
<b>Balance sheet data:</b>					
Working capital	\$ 320	\$ 261	\$ 222	\$ 153	\$ 138
Property, plant and equipment net	1,356	1,274	1,211	1,187	1,154
Total assets	2,662	2,389	2,367	2,216	2,068
Long-term debt	480	471	480	452	516
Total debt	554	528	568	550	600
Redeemable common stock	44	29	33	67	58
Stockholders' equity	1,330	1,210	1,081	911	770

**Additional data:**

Depreciation and amortization	\$ 114	\$ 106	\$ 102	\$ 101	\$ 103
Capital expenditures	171	143	104	83	78

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**RISK FACTORS**

*You should carefully consider the following risk factors and the information under the heading **Risk Factors** in the accompanying prospectus and in our annual report on Form 10-K for the year ended December 31, 2006 which is incorporated by reference into this prospectus supplement and the accompanying prospectus, as well as the other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision. In addition, there may be other risks that a prospective investor should consider that are relevant to its own particular circumstances or generally.*

**Risks Related to the Notes**

***The notes are effectively junior to the existing and future liabilities of our subsidiaries***

The notes are our unsecured obligations and will rank equally in right of payment with all of our other existing and future unsecured, unsubordinated obligations. The notes are not secured by any of our assets. Any future claims of secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets.

Our subsidiaries are separate and distinct legal entities from us. Our subsidiaries have no obligation to pay any amounts due on the notes. In addition, any payment of dividends, loans or advances by our subsidiaries could be subject to statutory or contractual restrictions. Payments to us by our subsidiaries will also be contingent upon the subsidiaries' earnings and business considerations. Our right to receive any assets of any of our subsidiaries upon their bankruptcy, liquidation or reorganization, and therefore the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors. In addition, even if we are a creditor of any of our subsidiaries, our right as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us. At December 31, 2006, we had approximately \$554 million of indebtedness outstanding on a consolidated basis, of which \$99 million of subsidiary indebtedness is structurally senior to the notes.

***The indenture does not restrict the amount of additional debt that we may incur***

The notes and indenture under which the notes will be issued do not place any limitation on the amount of unsecured debt that may be incurred by us. Our incurrence of additional debt may have important consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the market value of your notes, if any, and a risk that the credit rating of the notes is lowered or withdrawn.

***Our credit ratings may not reflect all risks of your investments in the notes***

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the notes. These credit ratings may not reflect the potential impact of risks relating to structure or marketing of the notes. Agency ratings are not a recommendation to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating.

***If an active trading market does not develop for the notes, you may be unable to sell your notes or to sell your notes at a price that you deem sufficient***

Each series of notes is a new issue of securities for which there currently is no established trading market. We do not intend to list either series of notes on a national securities exchange. While the underwriters of the notes have advised us that they intend to make a market in the notes, the underwriters will not be obligated to do so and may stop their market making at any time. No assurance can be given:

that a market for the notes will develop or continue;

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as to the liquidity of any market that does develop; or

as to your ability to sell any notes you may own or the price at which you may be able to sell your notes.

***We may not be able to repurchase the notes upon a change of control***

Upon the occurrence of specific kinds of change of control events, each holder of notes will have the right to require us to repurchase all or any part of such holder's notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. If we experience a Change of Control Repurchase Event, there can be no assurance that we would have sufficient financial resources available to satisfy our obligations to repurchase the notes. Our failure to repurchase a series of notes as required under the indenture governing that series of notes would result in a default under the indenture, which could have material adverse consequences for us and the holders of the notes. See Description of the Notes Repurchase at the Option of Holders Upon a Change of Control Repurchase Event.

**USE OF PROCEEDS**

The net proceeds to us from the sale of the notes will be approximately \$296.1 million (after underwriting discounts and our offering expenses). We intend to use the net proceeds for the payment at maturity of our \$255 million outstanding principal amount of 8.25% senior notes due July 15, 2007 (the 8.25% Senior Notes) and for general corporate purposes. The amount payable at maturity of the 8.25% Senior Notes, including accrued interest, is expected to be approximately \$265.5 million. Pending such application, the net proceeds from the sale of the notes will be invested in short-term-interest-bearing securities.



**Table of Contents****CAPITALIZATION**

The following table sets forth, as of December 31, 2006, our total capitalization on an actual basis and as adjusted to give effect to the sale of the notes and the application of the net proceeds to repay the 8.25% Senior Notes. You should read this table in conjunction with our consolidated financial statements and the notes thereto which are incorporated by reference.

	<b>At December 31, 2006</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(Dollars in millions)</b>	
Total short-term debt and current portion of long-term debt	\$ 74	\$ 74
Long-term debt:		
8.25% Senior Notes due 2007	\$ 255	\$
8.45% Senior Notes due 2009	199	199
Notes offered hereby		300
Revolving credit facilities due 2011	9	9
Other	35	35
Total	498	543
Less: current maturities	18	18
Total long-term debt	480	525
Redeemable common stock	44	44
Share based payments subject to redemption	4	4
Stockholders' equity:		
Preferred stock (par value \$0.01)		
Common stock (par value \$0.01)	1	1
Additional paid-in capital	1,051	1,051
Less: Treasury stock at cost	(27)	(27)
Deferred compensation - restricted stock		
Accumulated other comprehensive loss	(223)	(223)
Retained earnings	528	528
Total stockholders' equity	1,330	1,330
Total capitalization	\$ 1,858	\$ 1,903

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**DESCRIPTION OF THE NOTES**

The following description of the particular terms of the notes supplements the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus, to which reference is made. References to Corn Products, the Company, we, us and our in this section are only to Corn Products International, Inc. and not subsidiaries.

The notes will be issued under an indenture dated as of August 18, 1999, between us and The Bank of New York Trust Company, N.A. (as successor trustee to The Bank of New York), as trustee. The 2017 notes and 2037 notes will be separate series of debt securities under the indenture.

**General**

The 2017 notes will mature on April 15, 2017 and will bear interest at the rate of 6.000% per annum. The 2037 notes will mature on April 15, 2037 and will bear interest at the rate of 6.625% per annum.

Interest on the notes accrues from April 10, 2007 and is payable semiannually on April 15 and October 15 of each year, commencing October 15, 2007. Interest will be paid to the person in whose name the note is registered, subject to certain exceptions as provided in the indenture, at the close of business on April 1 or October 1, as the case may be, immediately preceding the interest payment dates. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. Principal and interest will be payable, and the notes will be transferable or exchangeable, at the office or offices or agency maintained by us for these purposes. Payment of interest on the notes may be made at our option by check mailed to the registered holders.